

WGU C211 Objective Assessment Global Economics for Managers Exam Prep| Questions and Verified Answers| 100% Correct (New 2023/ 2024 Update)

QUESTION

factors of production should be government owned or state owned and all supply, demand and pricing are planned by the government

Answer:

command

QUESTION

the economic system of most countries

Answer:

mixed economy

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QUESTION

a curve that represents a consumers preferences

Answer:

indifference curve

QUESTION

_____ indifference curves are preferred to _____ ones

Answer:

higher, lower

QUESTION

indifference curves are bowed _____

Answer:

inward

QUESTION

the rate at which a consumer is willing to substitute one good for another

Answer:

marginal rate of substitution

QUESTION

the limit on consumption bundles that a consumer can afford

Answer:

budget constraint

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QUESTION

a piece of analysis that shows the combination of goods the consumer can afford given their income and price of goods

Answer:

budget constraint

QUESTION

an increase in income will shift the budget constraint _____

Answer:

outward

QUESTION

the slope of the indifference curve equals the slope of the

Answer:

budget constraint

QUESTION

the consumer chooses consumption of the two goods so that the marginal rate of substitution equals the

Answer:

relative price

QUESTION

the increase in total cost that results from adding an additional unit of production

Answer:

marginal cost

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QUESTION

formula to calculate marginal cost

Answer:

change in total cost / change in quantity

QUESTION

a firm will produce the quantity where $MR = MC$ as long as _____

Answer:

price > AVC

QUESTION

when price falls below the AVC, what will a firm do?

Answer:

shut down temporarily

QUESTION

someone who has to take the market price of a product and accept it as their own price

Answer:

price taker

QUESTION

the demand curve for a perfectly competitive firm is

Answer:

horizontal

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QUESTION

the demand curve for a monopolistic market is

Answer:

downward sloping

QUESTION

where do firms with market power determine the quantity of product/service they will produce?

Answer:

quantity where $MR = MC$, quantity where $P = MC$